

Missouri Farm Economy Listening Sessions

In July 2016, the team at the Missouri Department of Agriculture toured the state to listen to farmers, ranchers and community leaders about their take on the current financial situation and current opportunities and challenges facing the industry. Nearly 400 people came to discuss the latest topics in Missouri agriculture. The findings are documented below:

Young Producers Face Challenges:

The following recommendations and comments were made by Missouri farmers and ranchers:

- Encourage younger generations to return to the farm.
- Considering 2012-2014 commodity prices typical, the ability of young generations to return to family farms depends on the existence of Beginner Farmer Programs.
- Young producers struggle with down payments. This may be solved by established farmers investing without ownership in young producers' farms.

Policy has Great Influence:

The following recommendations and comments were made by Missouri farmers and ranchers:

- Uphold the Renewable Fuel Standard to ensure greater ethanol bushels.
- Cease excessive federal government regulation controlled by urban citizens.
- Support keeping chemicals on the market.
- Add value to the dairy industry with a Missouri cheese plant. Dairy is struggling with 2/3 of the milk check covering only feed costs.
- Pass TPP - with more beef exported, more corn could possibly be exported.
- Advocate for the importance of foreign markets.
- Increase tools to manage and protect from volatility in markets here and abroad.

Education Is Important:

The following recommendations and comments were made by Missouri farmers and ranchers:

- Establish agricultural education programs for county commissioners & other regional leaders.
- Establish farm finance continued education classes.
- Educate producers about state and federal loans, USDA-FSA and other federal program paper work, tax paperwork and efficient record keeping.
- Work to increase timely, unbiased information to share directly to producers.
- Bridge the knowledge gap between consumers and agriculture to reduce the challenges of expanding farms.

Land and Lending:

The following was suggested by Missouri farmers and ranchers:

- Better communication is needed for low cash rent prices to landlords who don't understand after the high commodity prices seen in 2012-2014.
- Spend appropriately with lenders supervision; sensitive analyses help evaluate each situation.
- Make available credit at reasonable prices.
- Stop converting pastureland into cropland. There are challenges to getting cattlemen to turn crop ground back into pasture and build fence with no short-term profit.
- Eliminate land market monopolization by big producers.
- Pay off debt when prices are high and times are good.
- Remember each financial situation is unique.
- Increasing land values due to urban pressure hinders expansion in some areas.
- May see large number of acres come to market.

What Producers are Doing:

Missouri producers are currently:

- Diversifying operations to reduce the effects of economic downfall by entering niche markets such as agritourism, organic production, farmers' markets and local farm-raised products
- Seeking programs that establish consumer trust such as the Agricultural Stewardship Assurance Program (also known as ASAP.)
- Seeking alternative solutions to keep their farms:
 - Working full-time/part-time off the farm
 - Planting waxy corn
 - Completing custom hire work instead of hiring out
 - Avoiding equipment purchases and limiting inputs
 - Reevaluating family living costs
 - Focusing on strengths in operation
 - Knowing break-even points and recognizing the profit margin
- Facing new challenges with technology
 - Increased yield comes with an increased cost, finding the balance can be difficult.
 - Keeping up with ever-changing advances in technology.